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Session 18

Conducting Title IV program Transactions Electronically

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Background

- Electronic Signatures in Global and National Commerce Act (E-Sign)
- Legal equivalence between paper records and electronic records and with pen and ink signatures and electronic signatures
- Guidance for conducting Title IV loan transactions electronically: GEN-01-06



E-Sign and the Title IV programs

A school may use electronic records and signatures for any provision that requires:

- A school to provide or make available written information to a student or parent
- A student or parent to authorize, certify, or sign a document.



Consumer Consent under E-Sign

- A school must obtain a student's consent before conducting transactions electronically.
- Consent, or confirmation of consent, must be obtained electronically.



Overview of Electronic Process

- Issuing an identity credential (password or PIN) to a student.
- Authenticating and using the credential to conduct a transaction electronically.
- Establishing an electronic signature process.



Identity Credential

- Confirm the student's identity through an independent source.
- Deliver the credential by mail or in another secure way.
- Take steps to protect the credential.



Authenticating and using a credential

- Check information entered by a student with information maintained in the school's system.
- Credential may be used to obtain access to a secure website (or page) to get information or complete a transaction electronically.



Electronic Signature Process

- PIN/Password is part of the process – its used to identify and authenticate the student as the source of the record.
- Must also establish that the student intended to sign a particular record.



Examples of transactions conducted electronically

- Student completes and signs a verification worksheet.
- School notifies a student that loan funds were credited to her account by sending e-mail message or posting the message on its website.



Web sessions

- For any online session where a student wishes to conduct a verification or authorization transaction, the entire session must be secure.
- The session must be designed to produce a complete and accurate record of the transaction or activity conducted.



Electronic records

- Record retention requirements in 668.24 apply equally to paper and electronic records.
- Standards for ensuring the accuracy, integrity, and accessibility of electronic records.



Tech Slide

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